

1 AN ACT in relation to public aid.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Illinois Public Aid Code is amended by  
5 adding Section 12-4.25d as follows:

6 (305 ILCS 5/12-4.25d new)

7 Sec. 12-4.25d. Medical assistance vendors; unionization  
8 activities.

9 (a) In this Section:

10 "Vendor" means a vendor of goods or services  
11 provided to recipients of medical assistance under  
12 Article V.

13 "Vendor reimbursements" means moneys paid to a  
14 vendor for goods or services provided to recipients of  
15 medical assistance under Article V.

16 (b) A vendor may not use vendor reimbursements to pay for  
17 activities directly related to influencing employees of the  
18 vendor regarding their decision to organize or not to  
19 organize and to form a union or to join an existing union,  
20 because these activities are not directly related to the  
21 purchase of goods or services for recipients. Vendor  
22 reimbursements may not be used for these activities by  
23 officers or employees of the vendor, or by an independent  
24 contractor, consultant, or attorney with whom the vendor has  
25 entered into a contract. Vendor reimbursements may not be  
26 used to litigate the issue of the application of the National  
27 Labor Relations Act to, nor the jurisdiction of the National  
28 Labor Relations Board over, a vendor. Nothing in this  
29 Section shall be construed as limiting an employer's rights  
30 under Section 8(c) of the National Labor Relations Act.  
31 Nothing in this Section shall be construed as limiting the

1 use of State funds by a vendor in the employment of, or for  
2 contracting for, assistance in good faith collective  
3 bargaining or in handling employee grievances, including  
4 arbitration, under an employee-employer contract.

5 (c) If a vendor engages in activities directly related to  
6 influencing employees of the vendor regarding their decision  
7 to organize or not to organize and to form a union or to join  
8 an existing union, the vendor must document the cost of those  
9 activities and show that no vendor reimbursements were used  
10 to pay for those activities in whole or in part. If the  
11 vendor engages in those activities during a time when the  
12 vendor's employees are ordinarily performing their normal  
13 duties, the vendor must maintain records showing (i) the  
14 date, time, and length of each meeting with employees held in  
15 connection with those activities and (ii) the identity of all  
16 participants in those meetings.

17 (d) If (i) a vendor engages in activities directly  
18 related to influencing employees of the vendor regarding  
19 their decision to organize or not to organize and to form a  
20 union or to join an existing union, (ii) those activities  
21 involved employees of the vendor whose normal duties involve  
22 providing goods or services to recipients of medical  
23 assistance, and (iii) those activities were conducted during  
24 a period of time during which the employee would ordinarily  
25 perform the employee's normal duties, then there is an  
26 irrebuttable presumption that vendor reimbursements were used  
27 to pay for a proportionate share of those activities. If it  
28 is determined that a vendor improperly used vendor  
29 reimbursements to pay for activities as described in this  
30 subsection, then the vendor is subject to a civil penalty in  
31 an amount equal to the proportion of the total cost of those  
32 activities that represents the proportion of the vendor's  
33 total revenues that were vendor reimbursements in the State  
34 fiscal year in which the vendor engaged in those activities.

1       (e) If it is determined that a vendor improperly used  
2 vendor reimbursements to pay for activities other than as  
3 described in subsection (d), then:

4           (1) the vendor must repay to the State the amount of  
5 moneys spent on activities in violation of this Section;  
6 and

7           (2) the vendor is subject to a civil penalty in an  
8 amount equal to twice the amount of moneys spent on  
9 activities in violation of this Section.

10       (f) The Illinois Department may impose a demand for  
11 repayment or a civil penalty under this Section after notice  
12 and an opportunity for the vendor to be heard on the matter.  
13 The Attorney General may bring a civil action on behalf of  
14 the Illinois Department to enforce the collection of any  
15 repayment or civil penalty imposed under this Section. If  
16 the Attorney General declines to bring such an action, any  
17 person may bring such an action on behalf of the Illinois  
18 Department.

19       (g) If an agent of a vendor knowingly violates this  
20 Section, the agent is jointly and severally liable with the  
21 vendor for the violation and subject to imposition of demand  
22 for repayment or a civil penalty under this Section.